



GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

July 8, 2015

Kirk Nicholes, Resident Agent
Alton Coal Development, LLC
463 North 100 West, Suite 1
Cedar City, Utah 84720

Subject: Returned and Denied Phase I Bond Release Application, Alton Coal Development, LLC, Coal Hollow Mine, C/025/0005, Task ID #4788

Dear Mr. Nicholes:

The Phase I Bond Release application received on May 29, 2015 was sent in response to deficiencies identified in the first application which was received on January 28, 2015 and revised April 22, 2015. The application included updated cross-section and plan view maps with the increased detail as requested which met the requirements of R645-301-141 and Division Tech memo 006. However, the application failed to identify the number of acres within the incremental areas to be released. The area was reduced in size from the original application and is significantly different from the area described in the public notice in January 2015. The application must detail the number of acres requested in total, as well as the number of acres within each identified increment. To assist Division staff in the review, please also include the number of acres on the respective bond release drawings, i.e in the legend.

To accelerate the two bond release applications from ACD, the Division is returning this application and requests that a single bond release application be made for all the bond release areas under consideration this year. For ACD's convenience the following is a summary of the required information for a Phase I bond release. As part of the bond release application a public notice will be required for the combined area. Please plan on surveying the areas and staking them for easy identification during a Division inspection. When applying for bond release, please state the number of acres requested in total, as well as the number of acres within each identified increment. Please state the status of the reclamation on the land and provide topographic maps on a scale of 1:100 with 2 ft. contours to allow interpretation of final elevations, slopes, and drainage for these distinct areas. Please review Tech Directive #6 (previously provided) for more details on what technical details should be included in the bond release application.



We feel that by combining the bond release applications the process should be much simplified which will make it faster as well. Please call me at 801-538-5320 if you have any questions.

Sincerely,



Dana Dean
Associate Director, Mining

DD/PWB/ss
O:\025005.COL\WG4788 PHASE I BOND RELEASE\Denied.doc